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Soviet economy loses steam in global growth race

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The ruble is not rolling with its former speed. The mighty Soviet economy—second biggest on earth—has slowed down.

Eight years ago, the Eisenhower administration was seriously alarmed at Soviet economic growth, which was twice as large as that of the United States.

Allen W. Dulles, at that time Director of the Central Intelligence Agency, told the Chamber of Commerce of the United States on April 28, 1958, that this growth was the greatest peacetime challenge the United States had ever faced. But today the picture has radically changed.

The American economy has picked up steam; the Soviet has fallen off markedly.

The United States gross national product (GNP) now is more than twice as big as the Soviet Union's, and is expected to continue pulling ahead.

New facts and figures on the Soviet performance have just come to hand in a fascinating, 220-page report of the Joint Economic Committee of Congress. The report draws heavily on Russian sources as well as information available in government departments here.

Growth rates compared

It shows that the annual average growth rate of the Soviet Union between 1958 and 1963 was 4.5 percent, against 4.1 percent in the United States.

The Soviet economy is expected to grow between 4.5 and 5.5 percent a year from now until 1970—not fast enough to stop falling further behind the United States.

But when Mr. Dulles made his much-talked-about speech, the Soviet Union was growing faster than any other country. In 1958, its GNP rose by 8.5 percent. The United States was in a recession.

From 1950 to 1958, only West Germany had a higher average growth—7.6 percent, to the Soviet Union's 7.0. The United States

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